

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:) Chapter 11
)
MARBLES HOLDINGS, LLC, et al.,¹) Case No. 17-03309
) (Jointly Administered)
Debtors.)
) Hon. Timothy A. Barnes
)
) Hearing Date: October 24, 2017 at 11:00 a.m.

NOTICE OF MOTION

PLEASE TAKE NOTICE that on October 24, 2017 at 11:00 a.m., the undersigned shall appear before the Honorable Timothy A. Barnes in Courtroom 744, or whomever may be sitting in his place and stead, at the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division, 219 S. Dearborn Street, Chicago, Illinois and will then and there present the attached *Final Application of Berkeley Research Group, LLC for Compensation for Services Rendered and Reimbursement of Expenses as Financial Advisor to the Official Committee of Unsecured Creditors During the Period from February 15, 2017 through September 29, 2017* a copy of which is attached hereto and herewith served upon you.

Dated: September 29, 2017

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF MARBLES HOLDINGS
LLC, et al.**

By: /s/ Devon J. Eggert
One of Its Attorneys

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¹ The debtors in these Chapter 11 cases, along with the last four digits of each debtor's federal taxpayer identification number, are: (i) Marbles Holdings, LLC (9547); (ii) Marbles LLC (3081); and (iii) Marbles Brain Workshop, LLC (0303).

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MARBLES HOLDINGS, LLC, et al.,¹) Case No. 17-03309
) (Jointly Administered)
Debtors.)
) Hon. Timothy A. Barnes
)
) Hearing Date: October 24, 2017 at 11:00 a.m.

CERTIFICATE OF SERVICE

I, Devon J. Eggert, an attorney, hereby certify that on September 29, 2017, I caused a true and correct copy of the foregoing *Notice of Motion and Final Application of Berkeley Research Group, LLC for Compensation for Services Rendered and Reimbursement of Expenses as Financial Advisor to the Official Committee of Unsecured Creditors During the Period from February 15, 2017 through September 29, 2017* to be filed electronically with the Court and served upon the following parties by the manner listed.

/s/ Devon J. Eggert

CM/ECF Service List

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| | |
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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re

MARBLES HOLDINGS, LLC, *et al.*¹

Debtors

--X--
: Chapter 11
: Case No. 17-03309
: Jointly Administered
: Honorable Timothy Barnes
:
:
:
: **Hearing Date: October 24, 2017 at 11:00 am (CT)**
--X--

**COVER SHEET FOR
FINAL APPLICATION OF BERKELEY RESEARCH GROUP, LLC FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS DURING THE PERIOD
FROM FEBRUARY 15, 2017 THROUGH SEPTEMBER 29, 2017**

Name of Applicant:

Berkeley Research Group LLC

Authorized to Provide Professional Services to: The Official Committee of Unsecured Creditors (the "Committee")

Date of Retention:

February 28, 2017 *nunc pro tunc* to February 15, 2017

Period for which Compensation and reimbursement is sought:

February 15, 2017 through September 29, 2017

Amount of compensation sought as actual, reasonable and necessary:

\$18,693.50

Amount of expense reimbursement sought as actual, reasonable and necessary:

\$0.00

This is an: interim final application

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Marbles Holdings, LLC (9547); Marbles, LLC (3081); and Marbles Brain Workshop, LLC (0303).

Summary of Monthly Statements Filed for the Interim Period:

| <i>Application</i> | | <i>Requested</i> | | <i>Paid to Date</i> | | <i>Total Unpaid</i> |
|--------------------|---------------------|--------------------|---------------|---------------------|-----------------|---------------------|
| Date Submitted | Period Covered | Total Fees | Expenses | Fees (80%) | Expenses (100%) | Fees and Expenses |
| 4/24/2017 | 2/20/2017-3/31/2017 | \$15,912.00 | \$0.00 | \$12,729.60 | \$0.00 | \$0.00 |
| Totals | | \$15,912.00 | \$0.00 | \$15,912.00 | \$0.00 | \$0.00 |

Dated: September 29, 2017

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF MARBLES HOLDINGS LLC, *et al.***

By: /s/ Devon J. Eggert
One of Its Attorneys

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

-----X-----
In Re : Chapter 11
MARBLES HOLDINGS, LLC, *et al.*¹ : Case No. 17-03309
Debtors : Jointly Administered
: Honorable Timothy Barnes
: :
: : **Hearing Date: October 24, 2017 at 11:00 am (CT)**
-----X-----

**FINAL APPLICATION OF BERKELEY RESEARCH GROUP, LLC FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS DURING THE PERIOD
FROM FEBRUARY 15, 2017 THROUGH SEPTEMBER 29, 2017**

Berkeley Research Group, LLC (“BRG”) financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), hereby submits its final fee application (the “Application”) for an order pursuant to sections 105(a), 330 and 331 chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 5082-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Northern District of Illinois (the “Local Rules”), the *Order Establishing Procedures for the Payment of Interim Compensation and Reimbursement of Expenses of Professionals and Members of the Official Committee of Unsecured Creditors* (the “Interim Compensation Order”), entered March 3, 2017, and the United States Trustee’s Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed

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under 11 U.S.C. § 330, effective January 30, 1996 (the “U.S. Trustee Guidelines”) seeking (a) the allowance of reasonable compensation for professional services rendered by BRG to the Committee during the period February 15, 2017 through September 29, 2017 (the “Fee Period”) and (b) reimbursement of actual and necessary charges and disbursements incurred by BRG during the Fee Period in the rendition of required professional services on behalf of the Committee. In support of this Application, BRG represents as follows:

JURISDICTION

1. The United States Bankruptcy Court for the Northern District of Illinois Eastern Division (the “Court”) has jurisdiction over the Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

2. The statutory bases for the relief requested herein are sections 105(a), 330, 331, and 503(b) of the Bankruptcy Code and Bankruptcy Rule 2016.

BACKGROUND

3. On February 3, 2017 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the Court. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these cases.

4. On February 13, 2017 (the “Formation Date”), the Office of the United States Trustee for the Northern District of Illinois appointed the Committee to represent the interests of unsecured creditors of the Debtors pursuant to section 1102 of the Bankruptcy Code. The Committee is presently comprised of the following members: (i) GGP Limited Partnership, (ii) Simon Property Group, Inc., (iii) littleBits Electronics, Inc., (iv) Magformers, LLC, and (v)

Exploding Kittens, LLC.

5. On February 15, the Committee selected BRG to serve as its financial advisor. Concurrently, Pachulski Stang Ziehl & Jones LLP was selected to serve as the Committee's counsel and Freeborn & Peters LLP was selected to serve as local counsel. On February 28, 2017, this Court entered an order authorizing the retention of BRG as financial advisor to the Committee, nunc pro tunc to February 15, 2017.

6. On July 27, 2017, the Debtors filed the Joint Liquidating Plan and the related Disclosure Statement (together the "Plan"). On August 30, 2017, the Court confirmed the Plan. The effective date for the Plan is set for September 29, 2017.

FEE PROCEDURES ORDER

7. On March 3, 2017, this Court signed the Interim Compensation Order. Pursuant to the Interim Compensation Order, on or before the last day of each full calendar month (the "Fee Filing Period") following the month for which compensation and reimbursement is sought (the "Compensation Period"), each Professional seeking interim compensation may submit a monthly statement (each a "Monthly Fee Statement") pursuant to section 331 of the Bankruptcy Code for interim approval and allowance of compensation for services rendered and reimbursement of expenses during the Compensation Period. Each Recipient shall have ten (10) days after service of a Monthly Fee Statement to review the Monthly Fee Statement and object thereto (the "Objection Deadline"). Upon the expiration of the Objection Deadline: (i) if no objections have been filed, the Debtors shall then be authorized to pay such Professional eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Monthly Fee Statement or (ii) if an objection to a Monthly Fee Statement has been filed, the Debtors shall then be authorized to pay such Professional eighty percent (80%) of the fees and one hundred percent (100%) of the expenses not subject to that objection.

8. On June 15, 2017, brg filed its first interim application for compensation (the “*First Interim Fee Application*”), seeking compensation in the amount of \$15,912.00 for the period of February 13, 2017 through May 31, 2017.

9. On July 11, 2017, the Court entered an order (the “*First Interim Fee Application Order*”) granting the First Interim Fee Application, and authorizing payment to BRG in the amount of \$15,912.00.

10. BRG has been paid \$15,912.00 on account of its First Interim Fee Application.

SUMMARY OF SERVICES RENDERED

11. BRG is a global strategic advisory and expert consulting firm that provides independent expert testimony; litigation and regulatory support; authoritative studies; strategic advice; advisory services relating to restructuring and turnaround, due diligence, valuation, and capital markets; and document and data analytics to major law firms, Fortune 500 corporations, government agencies, and regulatory bodies around the world.

12. Since being retained by the Committee, BRG has rendered professional services to the Committee as requested and as necessary and appropriate in furtherance of the interests of the unsecured creditors of the Debtors’ estates. BRG respectfully submits that the professional services that it rendered on behalf of the Committee were necessary and have directly benefited the creditor constituents represented by the Committee and have contributed to the effective administration of these cases.

13. BRG submits that the interim fees applied for herein for professional services rendered in performing services for the Committee in this proceeding are fair and reasonable in view of the time spent, the extent of work performed, the nature of the Debtors’ capitalization structure and financial condition, the Debtors’ financial accounting resources and the results

obtained. BRG's fees typically are based on the actual hours charged at BRG's standard hourly rates, which are in effect when the services are rendered.

14. BRG expended an aggregate of 29.9 hours, substantially all of which was expended by the professional staff of BRG. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task. A small staff was utilized to optimize efficiencies and avoid redundant efforts. The staff of the Debtors or their advisors has been utilized where practical and prudent.

15. BRG believes that there has been no duplication of services between BRG and any other consultants or accountants to the bankruptcy estate.

16. BRG's approach is to utilize senior, experienced personnel and to encourage the Debtors to provide the staff-level support and analysis to minimize total cost. We believe that the compensation in this Application is based on the customary compensation charged by comparably skilled professionals in cases other than cases under Title 11.

17. No agreement or understanding exists between BRG and any other person for the sharing of compensation received or to be received for services rendered in connection with the chapter 11 cases, except for internal agreements among employees of BRG regarding the sharing of revenue or compensation. Neither BRG nor any of its employees has entered into an agreement or understanding to share compensation with any entity as described in Bankruptcy Rule 2016.

18. Attached as Exhibit A is a summary of the hours expended and fees incurred by each BRG professional during the Fee Period.

19. Attached as Exhibit B is a summary of the hours expended and fees incurred by BRG professionals for each category of services (task code).

20. Attached as **Exhibit C** is a summary of the hours expended and fees incurred by each BRG professional within each task code.

21. BRG's detailed time records for the Fee Period are attached hereto as **Exhibit D**.

These records include daily time logs describing the time spent by each BRG professional and administrative-level person in these cases.

22. BRG also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of its professional services. No expenses have been incurred by BRG during the Fee Period.

23. The general summary of the services rendered by BRG during the Fee Period based on tasks and number of hours is set forth below.

Asset Acquisition/Disposition – Task Code 01

24. This task code includes time spent drafting a report regarding stalking horse bidders for the UCC.

25. BRG has expended 1.0 hours on this category for a fee of \$735.00.

Interaction/ Meetings with Debtors/ Counsel – Task Code 07

26. Time charged to this task code relates to BRG's communications with the Debtor and Debtor professionals via email and telephone regarding various case matters.

27. BRG has expended 2.3 hours on this category for a fee of \$1,690.50.

Interaction/ Meetings with Creditors/ Counsel – Task Code 08

28. Time charged to this task code relates to BRG's communications with the Committee and Committee counsel regarding various case matters including liquidation and recoveries.

29. BRG has expended 2.1 hours on this category for a fee of \$1,543.50.

Analysis of Historical Results – Task Code 17

30. Time charged to this task code relates to BRG's time spent reviewing the historical performance of the company's sales in relation to the liquidation.
31. BRG has expended 1.4 hours on this category for a fee of \$1,029.00.

Projections/ Business Plan/ Other – Task Code 20

32. This task code relates to time spent by BRG developing a profitability assessment.
33. BRG has expended 2.8 hours on this category for a fee of \$2,058.00.

Liquidation Analysis – Task Code 24

34. This task code relates to time spent by BRG preparing a presentation regarding the liquidation and recoveries, reviewing the Liquidation Plan and related Disclosure Statement and providing feedback to Counsel thereon.

35. BRG has expended 6.9 hours on this category for a fee of \$3,663.50.

Exit Financing – Task Code 30

36. This task code relates to time spent by BRG compiling and evaluating data regarding potential buyers and reporting to the Committee and counsel thereon.
37. BRG has expended 13.4 hours on this category for a fee of \$7,974.00.

ACTUAL AND NECESSARY EXPENSES

38. BRG incurred no out-of-pocket expenses in connection with the rendition of the professional services to the Committee.

NOTICE AND NO PRIOR APPLICATION

39. Notice of this application has been provided to: (i) the Debtor; (ii) the Office of the United States Trustee; and (iii) all entities that have filed a request for service of filings

pursuant to Bankruptcy Rule 2002 in this case. BRG submits that no other or further notice is necessary and requests that the Court approve the limited notice requested herein.

40. No previous application for the relief sought herein has been made to this or any other Court.

WHEREFORE, BRG respectfully requests that the Court enter an order: (a) allowing on a final basis fees in the amount of \$18,693.50 for reasonable, actual and necessary services rendered by it on behalf of the Committee during the Fee Period; (b) authorizing payment to BRG of \$2,781.50, which is equal to the fees incurred after the First Interim Period, during the Fee Period, (c) approving the limited notice of the application; and (d) and granting such other and further relief as the Court may deem just and proper.

Dated: September 29, 2017

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF MARBLES HOLDINGS LLC, *et al.***

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One of Its Attorneys

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